

Vanguard Growth and Income Fund

Investor Shares

Domestic stock fund

Investment objective

Vanguard Growth and Income Fund seeks to provide a total return (capital appreciation plus dividend income) greater than the return of the Standard & Poor's 500 Index.

Investment strategy

The fund's advisor uses computer models to select a broadly diversified group of stocks that, as a whole, have investment characteristics similar to those of the S&P 500 Index, but are expected to provide a higher total return than that of the index. At least 65% (and typically more than 90%) of the fund's assets will be invested in stocks that are included in the index. Most of the stocks held by the fund provide dividend income as well as the potential for capital appreciation.

See reverse side for Fund Profile.

Who should invest

- Investors seeking long-term growth of capital and income.
- Investors with a long-term investment horizon (at least five years).

Who should not invest

- Investors unwilling to accept significant fluctuations in share price.

Total net assets: \$3,919 million

Expense ratio: 0.32%
as of September 30, 2007

Ticker symbol: VQNPX

Newspaper listing: GroInc

Inception date: December 10, 1986

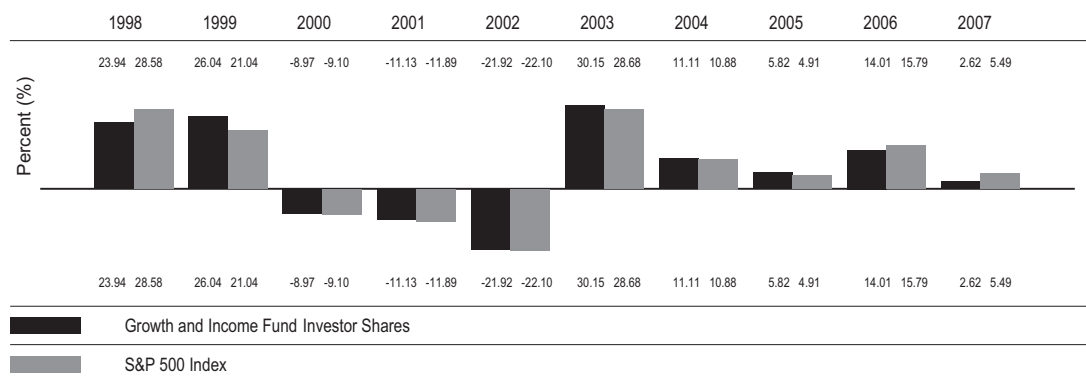
Fund number: 0093

Overall risk level:



Performance

Annual returns 1998–2007



Total returns

	Periods Ended September 30, 2008					
	Quarter	Year to Date	One Year	Three Years	Five Years	Ten Years
Growth and Income Fund Investor Shares	-8.82%	-18.62%	-23.28%	-0.72%	4.80%	3.42%
S&P 500 Index	-8.37%	-19.29%	-21.98%	0.22%	5.17%	3.06%

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at www.vanguard.com/performance.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

S&P 500 Index: A widely used barometer of U.S. stock market performance; as a market-weighted index of leading companies in leading industries, it is dominated by large-capitalization companies.

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Plain talk about risk

An investment in the fund could lose money over short or even long periods. You should expect the fund's share price and total return to fluctuate within a wide range, like the fluctuations of the overall stock market. The fund's performance could be hurt by:

Investment style risk: The chance that returns from large-capitalization stocks will trail returns from the overall stock market. Specific types of stocks tend to go through cycles of doing better—or worse—than the stock market in general. These periods have, in the past, lasted for as long as several years.

Manager risk: The chance that poor security selection will cause the fund to underperform relevant benchmarks or other funds with a similar investment objective.

Stock market risk: The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

Investment terms

Dividends: A payment of cash or stock from a company's earnings to each stockholder as declared by the company's board of directors.

Expenses: The costs of running a fund, expressed as a percentage of the fund's assets. For example, a fund may have expenses that total 0.30% (less than half of 1%) of its assets.

Mutual fund: An investment company that pools the money of many shareholders and invests it in a variety of securities in an effort to achieve a specific objective over time.

Total return: The change in the net asset value of an investment, assuming reinvestment of all dividend and capital gain distributions.

Fund profile

as of September 30, 2008

Top sector holdings—Stocks

Consumer Discretionary	8.1%
Consumer Staples	12.7
Energy	13.7
Financials	15.4
Health Care	12.3
Industrials	11.4
Information Technology	15.7
Materials	3.6
Telecommunication Services	2.8
Utilities	4.3

Ten largest holdings*

1.	ExxonMobil Corp.	
2.	General Electric Co.	
3.	The Procter & Gamble Co.	
4.	Wal-Mart Stores, Inc.	
5.	Bank of America Corp.	
6.	ConocoPhillips Co.	
7.	Hewlett-Packard Co.	
8.	Intel Corp.	
9.	International Business Machines Corp.	
10.	Monsanto Co.	
Top 10 as % of Total Net Assets		27.3%

*The holdings listed exclude any temporary cash investments and equity index products.

For more information about Vanguard funds, visit www.vanguard.com, or call 800-523-1188, to obtain a prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.

Financial advisor clients: For more information about Vanguard funds, contact your financial advisor to obtain a prospectus.

Investment Products:
• Not FDIC Insured
• No Bank Guarantee
• May Lose Value